

# City of Detroit

## CITY COUNCIL

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TO: COUNCIL MEMBERS

FROM: Irvin Corley, Jr., Fiscal Analysis Director *ICJ.*  
Derrick Headd, Fiscal Staff Analyst *DH*

DATE: February 11, 2009

RE: PDD's 2007 Jobs & Investment Monitoring Report Industrial  
Development District Tax Abatement (Public Act 198) **Preliminary**  
**Report**

The Planning and Development Department (PDD) submitted a report dated January 2, 2009, relative to its Public Act 198 2007 Jobs and Investment Monitoring reports, based on the survey data the department received from the abatement recipients.

### **PDD's Findings**

In the PDD report of January 2, 2009, the department stated are ninety-six (96) active Industrial Facilities Exemption Certificates for fifty-six (56) different corporations; six certificates from years 1988 through 1992 which exceeds the twelve-year abatement limit, considered expired; of the ninety-six (96) facilities fifty-six responded to Investment Monitoring, fifty-eight responded to Jobs Monitoring.

### **Fiscal Analysis Initial Review of PDD's Findings**

Upon our initial review which included reviewing a list of closed 198 abatement files from the Human Rights Department from January 2008 and feedback from Finance Assessors on PDD's list of 40 Non Responders, we discovered only **three** of those abatements are listed as active and one was listed as a duplicate abatement. Arca Systems should be listed as Perstop Xytec as we reported in our review of 198 abatements last year. Ironically Perstop Xytec's abatement is retired. In the past we have shared this type of information with PDD and we will share it again with the hope that the inactive abatements will be purged from Planning and Development's list. The remaining abatements are retired, with the exception of Caravan Tec., Hall Steel, and Vitec.

We now plan to submit a complete report to Council along with letters to contact the three active "Non Responders" by next week.

Please contact us if we can be of any further assistance.

Council Divisions

Auditor General's Office

Douglas Diggs, Planning & Development Department

Clinton Griffin, Planning & Development Department

Brian Watkins, Planning & Development Department

Joe Harris, Chief Financial Officer

Pamela Scales, Budget Director

Linda M. Bade, Chief Assessor

Arese Robinson, Mayor's Office

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